

April 8, 2021

BY ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Tariff Advice Filing to Amend R.I.P.U.C. NG-Gas No. 101-B
Docket No. _____**

Dear Ms. Massaro:

Pursuant to Rule 810-RICR-00-00-1.10(C) of the Rhode Island Public Utilities Commission's ("PUC") Rules of Practice and Procedure, National Grid¹ submits this tariff advice to amend its Gas Tariff, R.I.P.U.C. NG-GAS No. 101-B, Schedule C ("Gas Tariff"), effective April 8, 2021. This revised tariff would supersede R.I.P.U.C. NG-GAS No. 101-B, Schedule C, Eleventh Revision.²

The Company seeks to amend the Gas Tariff for the following reasons:

- When the Low Income Heating Energy Assistance Program ("LIHEAP") Enhancement Plan began in 2012, the Company added the LIHEAP Enhancement Charge provision to the Gas Tariff, including the specific LIHEAP Charge amount.
- The Company's current Gas Tariff includes an incorrect LIHEAP Charge of \$0.81 per customer.
- The current LIHEAP Charge is \$0.80 per customer, which was effective since January 1, 2019. The Company did not update the LIHEAP Charge in the tariff when it was changed on January 1, 2019.
- Since the LIHEAP Charge does not change every year, to prevent this oversight from occurring again, the Company proposes to remove the surcharge from the LIHEAP Enhancement Charge provision in the tariff. This change aligns with the Company's electric LIHEAP Enhancement Plan provision, which does not contain the specific LIHEAP Charge.
- The Company also proposes to remove the LIHEAP Charge since the Gas Tariff does not contain other rates and factors such as the Energy Efficiency surcharge, Distribution Adjustment Charge factors, and Gas Cost Recovery factors.

¹ The Narragansett Electric Company d/b/a National Grid ("National Grid" or "Company").

² The Company is submitting an electronic version of this filing and will submit five hard copies of the filing to the PUC within 24 hours of the electronic filing.

Luly E. Massaro, Commission Clerk
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The Company has revised Schedule C, Sheet 1, Section 1.0 in the first paragraph to remove all references to the LIHEAP Charge. The Company also changed the revision number in the Gas Tariff to Twelfth Revision and changed the issue date and effective date to April 8, 2021.

The Company has included a marked and clean version of these proposed changes for the PUC's review. Thank you for your attention to this filing. If you have any questions or concerns, please contact me at 781-472-0531.

Sincerely,



Raquel J. Webster

Enclosures

cc: Leo Wold, Esq., Division
Al Mancini, Division
John Bell, Division

OTHER MISCELLANEOUS CHARGES

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM PLAN ENHANCEMENT CHARGE

1.0 LOW INCOME HOME ENERGY ASSISTANCE PLAN (LIHEAP) ENHANCEMENT CHARGE:

In accordance with R.I.G.L. § 39-1-27.12, the Company shall bill monthly to all customers a Low Income Home Energy Assistance Plan enhancement charge (“LIHEAP Charge”) approved by the PUC, provided however that the annual charge shall not exceed \$10 per customer, per year. For purposes of this section a “customer” is defined as any person taking service at a single point of gas delivery or gas meter.

The monthly rate for the LIHEAP Charge is ~~\$0.81~~^a per customer charge and shall appear as a separate line item on a customer’s bill. The LIHEAP Charge is set annually, effective January 1.

1.1 LIHEAP Enhancement Fund:

The Company shall establish a LIHEAP Enhancement fund that shall be used to account for the combined funds collected through the LIHEAP Charge from both gas and electric service customers. The Rhode Island Department of Human Services (“DHS”) shall designate to the Company the qualifying customer accounts and the amounts to be credited from the LIHEAP Enhancement fund. The cumulative amount of credits applied to customer bills will be limited to an amount no greater than the cumulative aggregate projected LIHEAP Charges billed through the end of the current calendar year. Once the aggregate credits applied to customer bills equals the aggregate projected LIHEAP Charges billed through the end of the current calendar year, including interest as defined below, the application of the LIHEAP Enhancement credits would cease. Any difference in aggregate cumulative actual LIHEAP Charges billed and aggregate cumulative credits applied to customer bills, will accrue interest at the customer deposit interest rate.

The projected annual revenue in the LIHEAP Enhancement fund billed through the gas and electric service LIHEAP Charges shall not exceed seven million five hundred thousand dollars (\$7,500,000) and shall not be less than six million five hundred thousand dollars (\$6,500,000).

Beginning on September 1, 2016 and monthly thereafter between April 15 and September 30 of each year, the Company will set aside a minimum of 5 percent of the funds billed through the LIHEAP Charge, to be allocated to provide assistance to customers seeking LIHEAP certification for the sole purpose of entering into the Arrearage Management Program (“AMP”) as described in R.I.G.L. § 39-2-1(d)(2). This fund is designated for homeless

OTHER MISCELLANEOUS CHARGES

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM PLAN ENHANCEMENT
CHARGE**

families or individuals who are transitioning from a shelter into housing who provide acceptable documentation to DHS. Remaining funds available after September 30 of each year will be eligible for use in the upcoming winter season.

1.2 LIHEAP Eligible Customer:

For purposes of receiving funds from the LIHEAP Enhancement fund in subpart 7.1 above, a qualifying LIHEAP eligible customer shall be a household with a combined gross income equal to or less than 60 percent of the state median household income as calculated by the U.S. Bureau of Census and as adjusted for family or group size by the U.S. Department of Health and Human Services regulation 45 CFR § 96.85 or its successor regulation.

OTHER MISCELLANEOUS CHARGES**2.0 RESIDENTIAL ASSISTANCE PROVISION**

The DAC contained in all of the Company's firm rate classes except for the Low Income Rates 11 and 13 shall include a Low Income Discount Recovery Factor ("LIDRF") to recover the cost of bill discounts provided to customers receiving service on Rates 11 and 13. In addition, the DAC contained in all of the Company's firm rate classes shall include an Arrearage Management Adjustment Factor ("AMAF") to recover the cost associated with the operation of the Arrearage Management Program ("AMP").

2.1 LOW INCOME BILL DISCOUNTS

On an annual basis, the Company shall estimate the discount to be provided to Rates 11 and 13 customers. The estimated discount will be twenty-five (25) percent of the forecasted Rates 11 and 13 annual billing units multiplied by the Rates 11 and 13 customer charge and the sum of the Base Distribution Charges, the Distribution Adjustment Charges, the Energy Efficiency Charges, and the Gas Charges in effect during the period. For those customers who are receiving benefits through Medicaid, General Public Assistance, and/or the Rhode Island Works Program (formerly known as the Family Independence Program) or successor programs, the estimated discount will be an additional five (5) percent for a total discount of thirty (30) percent of the forecasted Rates 11 and 13 annual billing units multiplied by the Rates 11 and 13 customer charge and the sum of the Base Distribution Charges, the Distribution Adjustment Charges, the Energy Efficiency Charges, and the Gas Charges in effect during the period. This estimate of the discount shall be used to determine the amount to be reflected in the Distribution Adjustment Charge on prospective basis. The amount shall be divided by the estimated therms to be delivered by the Company to all customers excluding customers on Rates 11 and 13. Such per therm charge is referred to as the LIDRF.

The revenue billed through the LIDRF shall be subject to reconciliation against the actual bill discounts provided during the twelve month reconciliation period for which the LIDRF is in effect, and any over- or under-recovery of the actual discount provided shall be reflected in the Reconciliation Factor.

For purposes of the above reconciliation, the Company shall accumulate the actual discounts provided to Rates 11 and 13 customers and the revenue billed through the LIDRF and shall accrue interest on the difference between these amounts at the interest rate paid on customer deposits on a monthly basis.

Should any balance remain subsequent to the recovery of the over- or under-recovery balance as described above, the Company shall reflect, as an adjustment in the then-current reconciliation period, the amount of the remaining balance.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT PROGRAM PROVISION****3.0 ARREARAGE MANAGEMENT PROGRAM:**

In accordance with R.I.G.L. § 39-2-1(d)(2), commencing on September 1, 2016, the Company shall implement an AMP pursuant to this tariff provision.

I. PROGRAM ELIGIBILITY

In order to be considered eligible for enrollment in the AMP, a customer who has been terminated from gas service or is recognized, pursuant to a rule or decision by the Division, as being scheduled for actual shut-off of service on a specific date, shall meet all of the following criteria:

- The applicant must be the customer of record, although the customer of record may authorize someone else to communicate with the Company to help enroll the customer of record in the AMP;
- The applicant must be eligible for the federal low-income home energy assistance program (“LIHEAP”);
- The account must be receiving retail delivery service on the Company’s Residential Low-Income Rates 11 and 13;
- The customer’s account must have a minimum balance of \$300.00 that is more than 60 days past due;
- If service to the account has been terminated, the customer must make an initial payment of 25% of the total unpaid balance (current and past due), unless otherwise directed by the PUC as a result of an emergency regulation;
- The customer must agree to a payment plan, as further described in Section III;
- The customer must agree to remain current with payments. “Remaining current” means that the customer:
 - 1) misses no more than two (2) payments in the 12-month term of the payment plan; and
 - 2) pays the amount due under the payment plan in full by the conclusion of the payment plan’s 12-month term;
- The customer must agree to participate in the Company’s Energy Efficiency programs; and
- The customer must apply for other available energy assistance programs, such as fuel assistance and weatherization

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****II. ENROLLMENT**

To participate, the customer must affirmatively apply to participate in the AMP.

The Company shall administer the AMP enrollment process in compliance with the eligibility qualifications outlined in Section I. By applying to participate in the AMP, the customer agrees to comply with the terms of the AMP, including the customer's specific payment plan. After a customer has applied to the AMP, the Company shall determine whether the customer has met all of the AMP eligibility criteria set forth in Section I, based on the Company's records. The Company will coordinate with the Community Action Program ("CAP") agencies to validate customer eligibility when appropriate.

III. PAYMENT PLAN

AMP participants shall enroll in a 12-month payment plan, paid in equal monthly installments, which will cover new charges based upon their current estimated annual usage ("Payment Plan").

The current component of the Payment Plan shall be based on the customer's average monthly usage for the previous year less the customer's actual or anticipated fuel assistance commitments, and shall be converted to a fixed monthly payment.

IV. ARREARS FORGIVENESS

AMP participants will be eligible for forgiveness of their account balance that is past due at the time of the first bill under their Payment Plan, up to an annual maximum of \$1,500. With each payment under the Payment Plan, a portion of the participant's outstanding past due account balance as described above is forgiven in an amount equal to the total past due account balance or \$1,500, whichever is less, divided by 12; provided, however, that the annual arrearage forgiveness amount shall not exceed \$1,500.

If an AMP participant's past due account balance at the time their Payment Plan takes effect exceeds \$1,500, the AMP participant may request an extension of the Payment Plan beyond the initial 12-month term to establish a new Payment Plan to accommodate the additional account balance in excess of \$1,500. To be eligible for an extension, the AMP participant must be current with their Payment Plan at the conclusion of the initial 12-month term. Such AMP participant's Payment Plan will be extended upon the AMP participant's timely request for an extension.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****PAYMENT PLAN REVIEW**

Customers applying to participate in the AMP will be advised that the amount of their required monthly payment under their Payment Plan may change over the lifetime of the Payment Plan.

The Company shall review the Payment Plans of active AMP participants every three months and may adjust the installment payments based on the following:

- A fuel assistance commitment is made subsequent to enrollment;
- There is a change in fuel assistance, such as a change in the amount, from what was understood at enrollment;
- The customer moves to a new address with a different average monthly usage for the previous year;
- Actual usage patterns differ from what was estimated as annual usage at enrollment; or
- There is a significant change in the Company's rates from what was anticipated at enrollment.

V. DEFAULT

The Company shall consider the AMP participant's billing account in default if either of the following occurs:

- The AMP participant misses more than two (2) payments in the 12-month Payment Plan term; or
- If the amount due under the Payment Plan is not paid in full by the conclusion of the 12-month Payment Plan term.

Upon default, the Company shall terminate an AMP participant from the AMP and the customer's unpaid balance will be due and payable in full. However, any arrearage forgiven under the AMP prior to termination of participation in the AMP will remain forgiven.

Customers shall have the option to opt out of continued participation in the AMP at any time, with the understanding that any unpaid balance will be due and payable in full. Customers who voluntarily opt out of the AMP will receive the same treatment as those customers who default on their Payment Plans under the AMP, as set forth in Section X (Subsequent Eligibility).

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****VI. TERMINATION**

In addition to termination upon default, a customer's participation in the AMP shall terminate if either of the following occurs:

- The AMP participant moves outside of the Company's service territory; or
- The AMP participant moves from one service location to another service location.

If a customer is terminated from AMP participation, the customer's unpaid balance will be due and payable in full. However, any arrearage forgiven under the AMP prior to termination of participation in the AMP will remain forgiven.

VII. COLLECTION ACTIVITY

AMP participants shall not be subject to the Company's normal collections activities while actively participating in the AMP. The Company shall resume normal collections activities if an AMP participant defaults while participating in the AMP or terminates the AMP.

VIII. AMP BILLING AND ACTIVE PLAN NOTICING

The Company shall remove the amount of an AMP participant's arrears balance up to \$1,500 from the "current amount due" field on certain views of AMP participant accounts in the Company's billing system. However, the arrears balance up to \$1,500 shall remain on the customer's bill.

Customers who are enrolled in the AMP will receive an AMP "Enrollment Letter" outlining the terms and conditions of their participation in the AMP.

Customers in danger of defaulting from the AMP will receive a default letter advising them of the need to make all required payments or risk default, termination from the AMP, and a return to the Company's normal collections activities.

IX. SUBSEQUENT ELIGIBILITY

A customer is eligible for subsequent enrollment in the AMP provided two years have passed since either (a) the date of the customer's successful completion of the AMP, or (b) the date on which the customer's participation in the AMP was terminated as a result of default or because the customer voluntarily opted out of the AMP, so long as a CAP agency has provided a recommendation to allow eligibility notwithstanding the customer's default or voluntary opt out of the AMP. The Company shall review requests for re-enrollment on a case-by-case basis to determine that the foregoing criteria are met.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****X. REPORTING METRICS**

The Company shall report monthly and annually the metrics below to allow for the evaluation of the effectiveness of the AMP. The monthly and annual reports shall be submitted to the PUC in Docket No. 4290.

- Number of customers enrolled in the program at the end of the reporting period;
- Number of customers added to the program during the reporting period;
- Number of customers terminated from the program (by choice or default) during the reporting period;
- Number of customers who successfully completed the program during the reporting period;
- Total customer payments during the reporting period;
- Total amount to be forgiven for all participating customers at the end of the reporting period;
- Average amount to be forgiven for all participating customers at the end of the reporting period;
- Total amount to be paid under a payment plan for all participating customers at the end of the reporting period;
- Average arrears balance not yet forgiven of all participating customers at the end of the reporting period;
- Average arrears balance as a percentage of the total balance due for all participating customers at the end of the reporting period;
- Total amount of arrears outstanding for all participants at the end of the reporting period;
- Total amount of forgiveness credits (allowances) given during the reporting period;
- Number of forgiveness credits (allowances) given during the reporting period;
- Average amount of forgiveness credits (allowances) given during the reporting period;
- Number of participants receiving LIHEAP at the end of the reporting period;
- Percentage of participants receiving LIHEAP at the end of the reporting period; and
- Total LIHEAP payments received during the reporting period.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION**

The Company shall also provide a schedule with the number of customers enrolled in the AMP, by month, together with the number of defaults and program terminations.

XI. COST RECOVERY

The DAC applicable to all the firm rates of the Company are shall contain an Arrearage Management Adjustment Factor (“AMAF”) designed to recover incremental costs incurred associated with the AMP. Incremental costs include the amount of arrearage forgiven. The recovery of the arrearage amounts forgiven by the Company through the AMP is dependent on the following criteria:

- i. If a customer does not satisfy the conditions of R.I.G.L. § 39-2-1(d)(2), the amount of arrearage forgiven by the Company to that point shall remain forgiven and be written off by the Company. However, the amount of arrearage forgiven by the Company is recoverable in full.
- ii. If a customer does satisfy the conditions of R.I.G.L. § 39-2-1(d)(2), all arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year, the Company will perform a test to determine if the amount of bad debt for the year exceeds the adjusted allowable bad debt from the Company’s most recent general rate case. This adjusted allowable bad debt will be calculated using the distribution uncollectible amount determined in the last general rate case, updated for the current calendar year Gas Cost Recovery, DAC, , and energy efficiency-related bad debt. Should the actual amount of bad debt incurred by the Company for the year exceed this adjusted allowable bad debt amount, the Company will be entitled to recover, in the following year, all amounts of arrearage forgiven under R.I. Gen. Laws § 39-2-1(d)(2)(xiv) in the prior year in excess of the allowable bad debt. If, however, the amount of the arrearage forgiven under § 39-2-1(d)(2)(xiv) in excess of the adjusted allowable bad debt for a given year is not significant enough to calculate an annual reconciling factor for that year, the Company may reflect such amount in its next Revenue Decoupling Mechanism reconciliation filing.

The AMAF shall be a uniform per therm factor based on the estimated therms to be delivered by the Company to its gas customers over a 12-month period. For billing purposes, the AMAF will be included with the DAC charge on customers’ bills. Should any balance remain outstanding subsequent to the recovery of costs associated with the AMP as described above, the Company shall reflect this balance as an adjustment in the subsequent period.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****XII. ADJUSTMENT TO RATES**

Adjustments to rates pursuant to the Arrears Management Program Provision are subject to review and approval by the PUC. Modifications to the factor contained in this Provision shall be made in accordance with a notice filed with the PUC pursuant to R.I.G.L. § 39-3-11(a) setting forth the amount(s) of the revised factor(s) and the amount(s) of the increase(s) or decrease(s). The notice shall further specify the effective date of such charges.

OTHER MISCELLANEOUS CHARGES

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM PLAN ENHANCEMENT CHARGE

1.0 LOW INCOME HOME ENERGY ASSISTANCE PLAN (LIHEAP) ENHANCEMENT CHARGE:

In accordance with R.I.G.L. § 39-1-27.12, the Company shall bill monthly to all customers a Low Income Home Energy Assistance Plan enhancement charge (“LIHEAP Charge”) approved by the PUC, provided however that the annual charge shall not exceed \$10 per customer, per year. For purposes of this section a “customer” is defined as any person taking service at a single point of gas delivery or gas meter.

The monthly rate for the LIHEAP Charge is a per customer charge and shall appear as a separate line item on a customer’s bill. The LIHEAP Charge is set annually, effective January 1.

1.1 LIHEAP Enhancement Fund:

The Company shall establish a LIHEAP Enhancement fund that shall be used to account for the combined funds collected through the LIHEAP Charge from both gas and electric service customers. The Rhode Island Department of Human Services (“DHS”) shall designate to the Company the qualifying customer accounts and the amounts to be credited from the LIHEAP Enhancement fund. The cumulative amount of credits applied to customer bills will be limited to an amount no greater than the cumulative aggregate projected LIHEAP Charges billed through the end of the current calendar year. Once the aggregate credits applied to customer bills equals the aggregate projected LIHEAP Charges billed through the end of the current calendar year, including interest as defined below, the application of the LIHEAP Enhancement credits would cease. Any difference in aggregate cumulative actual LIHEAP Charges billed and aggregate cumulative credits applied to customer bills, will accrue interest at the customer deposit interest rate.

The projected annual revenue in the LIHEAP Enhancement fund billed through the gas and electric service LIHEAP Charges shall not exceed seven million five hundred thousand dollars (\$7,500,000) and shall not be less than six million five hundred thousand dollars (\$6,500,000).

Beginning on September 1, 2016 and monthly thereafter between April 15 and September 30 of each year, the Company will set aside a minimum of 5 percent of the funds billed through the LIHEAP Charge, to be allocated to provide assistance to customers seeking LIHEAP certification for the sole purpose of entering into the Arrearage Management Program (“AMP”) as described in R.I.G.L. § 39-2-1(d)(2). This fund is designated for homeless

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**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM PLAN ENHANCEMENT
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families or individuals who are transitioning from a shelter into housing who provide acceptable documentation to DHS. Remaining funds available after September 30 of each year will be eligible for use in the upcoming winter season.

1.2 LIHEAP Eligible Customer:

For purposes of receiving funds from the LIHEAP Enhancement fund in subpart 7.1 above, a qualifying LIHEAP eligible customer shall be a household with a combined gross income equal to or less than 60 percent of the state median household income as calculated by the U.S. Bureau of Census and as adjusted for family or group size by the U.S. Department of Health and Human Services regulation 45 CFR § 96.85 or its successor regulation.

OTHER MISCELLANEOUS CHARGES**2.0 RESIDENTIAL ASSISTANCE PROVISION**

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2.1 LOW INCOME BILL DISCOUNTS

On an annual basis, the Company shall estimate the discount to be provided to Rates 11 and 13 customers. The estimated discount will be twenty-five (25) percent of the forecasted Rates 11 and 13 annual billing units multiplied by the Rates 11 and 13 customer charge and the sum of the Base Distribution Charges, the Distribution Adjustment Charges, the Energy Efficiency Charges, and the Gas Charges in effect during the period. For those customers who are receiving benefits through Medicaid, General Public Assistance, and/or the Rhode Island Works Program (formerly known as the Family Independence Program) or successor programs, the estimated discount will be an additional five (5) percent for a total discount of thirty (30) percent of the forecasted Rates 11 and 13 annual billing units multiplied by the Rates 11 and 13 customer charge and the sum of the Base Distribution Charges, the Distribution Adjustment Charges, the Energy Efficiency Charges, and the Gas Charges in effect during the period. This estimate of the discount shall be used to determine the amount to be reflected in the Distribution Adjustment Charge on prospective basis. The amount shall be divided by the estimated therms to be delivered by the Company to all customers excluding customers on Rates 11 and 13. Such per therm charge is referred to as the LIDRF.

The revenue billed through the LIDRF shall be subject to reconciliation against the actual bill discounts provided during the twelve month reconciliation period for which the LIDRF is in effect, and any over- or under-recovery of the actual discount provided shall be reflected in the Reconciliation Factor.

For purposes of the above reconciliation, the Company shall accumulate the actual discounts provided to Rates 11 and 13 customers and the revenue billed through the LIDRF and shall accrue interest on the difference between these amounts at the interest rate paid on customer deposits on a monthly basis.

Should any balance remain subsequent to the recovery of the over- or under-recovery balance as described above, the Company shall reflect, as an adjustment in the then-current reconciliation period, the amount of the remaining balance.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT PROGRAM PROVISION****3.0 ARREARAGE MANAGEMENT PROGRAM:**

In accordance with R.I.G.L. § 39-2-1(d)(2), commencing on September 1, 2016, the Company shall implement an AMP pursuant to this tariff provision.

I. PROGRAM ELIGIBILITY

In order to be considered eligible for enrollment in the AMP, a customer who has been terminated from gas service or is recognized, pursuant to a rule or decision by the Division, as being scheduled for actual shut-off of service on a specific date, shall meet all of the following criteria:

- The applicant must be the customer of record, although the customer of record may authorize someone else to communicate with the Company to help enroll the customer of record in the AMP;
- The applicant must be eligible for the federal low-income home energy assistance program (“LIHEAP”);
- The account must be receiving retail delivery service on the Company’s Residential Low-Income Rates 11 and 13;
- The customer’s account must have a minimum balance of \$300.00 that is more than 60 days past due;
- If service to the account has been terminated, the customer must make an initial payment of 25% of the total unpaid balance (current and past due), unless otherwise directed by the PUC as a result of an emergency regulation;
- The customer must agree to a payment plan, as further described in Section III;
- The customer must agree to remain current with payments. “Remaining current” means that the customer:
 - 1) misses no more than two (2) payments in the 12-month term of the payment plan; and
 - 2) pays the amount due under the payment plan in full by the conclusion of the payment plan’s 12-month term;
- The customer must agree to participate in the Company’s Energy Efficiency programs; and
- The customer must apply for other available energy assistance programs, such as fuel assistance and weatherization

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****II. ENROLLMENT**

To participate, the customer must affirmatively apply to participate in the AMP.

The Company shall administer the AMP enrollment process in compliance with the eligibility qualifications outlined in Section I. By applying to participate in the AMP, the customer agrees to comply with the terms of the AMP, including the customer's specific payment plan. After a customer has applied to the AMP, the Company shall determine whether the customer has met all of the AMP eligibility criteria set forth in Section I, based on the Company's records. The Company will coordinate with the Community Action Program ("CAP") agencies to validate customer eligibility when appropriate.

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The current component of the Payment Plan shall be based on the customer's average monthly usage for the previous year less the customer's actual or anticipated fuel assistance commitments, and shall be converted to a fixed monthly payment.

IV. ARREARS FORGIVENESS

AMP participants will be eligible for forgiveness of their account balance that is past due at the time of the first bill under their Payment Plan, up to an annual maximum of \$1,500. With each payment under the Payment Plan, a portion of the participant's outstanding past due account balance as described above is forgiven in an amount equal to the total past due account balance or \$1,500, whichever is less, divided by 12; provided, however, that the annual arrearage forgiveness amount shall not exceed \$1,500.

If an AMP participant's past due account balance at the time their Payment Plan takes effect exceeds \$1,500, the AMP participant may request an extension of the Payment Plan beyond the initial 12-month term to establish a new Payment Plan to accommodate the additional account balance in excess of \$1,500. To be eligible for an extension, the AMP participant must be current with their Payment Plan at the conclusion of the initial 12-month term. Such AMP participant's Payment Plan will be extended upon the AMP participant's timely request for an extension.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****PAYMENT PLAN REVIEW**

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- There is a change in fuel assistance, such as a change in the amount, from what was understood at enrollment;
- The customer moves to a new address with a different average monthly usage for the previous year;
- Actual usage patterns differ from what was estimated as annual usage at enrollment; or
- There is a significant change in the Company's rates from what was anticipated at enrollment.

V. DEFAULT

The Company shall consider the AMP participant's billing account in default if either of the following occurs:

- The AMP participant misses more than two (2) payments in the 12-month Payment Plan term; or
- If the amount due under the Payment Plan is not paid in full by the conclusion of the 12-month Payment Plan term.

Upon default, the Company shall terminate an AMP participant from the AMP and the customer's unpaid balance will be due and payable in full. However, any arrearage forgiven under the AMP prior to termination of participation in the AMP will remain forgiven.

Customers shall have the option to opt out of continued participation in the AMP at any time, with the understanding that any unpaid balance will be due and payable in full. Customers who voluntarily opt out of the AMP will receive the same treatment as those customers who default on their Payment Plans under the AMP, as set forth in Section X (Subsequent Eligibility).

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****VI. TERMINATION**

In addition to termination upon default, a customer's participation in the AMP shall terminate if either of the following occurs:

- The AMP participant moves outside of the Company's service territory; or
- The AMP participant moves from one service location to another service location.

If a customer is terminated from AMP participation, the customer's unpaid balance will be due and payable in full. However, any arrearage forgiven under the AMP prior to termination of participation in the AMP will remain forgiven.

VII. COLLECTION ACTIVITY

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VIII. AMP BILLING AND ACTIVE PLAN NOTICING

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Customers in danger of defaulting from the AMP will receive a default letter advising them of the need to make all required payments or risk default, termination from the AMP, and a return to the Company's normal collections activities.

IX. SUBSEQUENT ELIGIBILITY

A customer is eligible for subsequent enrollment in the AMP provided two years have passed since either (a) the date of the customer's successful completion of the AMP, or (b) the date on which the customer's participation in the AMP was terminated as a result of default or because the customer voluntarily opted out of the AMP, so long as a CAP agency has provided a recommendation to allow eligibility notwithstanding the customer's default or voluntary opt out of the AMP. The Company shall review requests for re-enrollment on a case-by-case basis to determine that the foregoing criteria are met.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION****X. REPORTING METRICS**

The Company shall report monthly and annually the metrics below to allow for the evaluation of the effectiveness of the AMP. The monthly and annual reports shall be submitted to the PUC in Docket No. 4290.

- Number of customers enrolled in the program at the end of the reporting period;
- Number of customers added to the program during the reporting period;
- Number of customers terminated from the program (by choice or default) during the reporting period;
- Number of customers who successfully completed the program during the reporting period;
- Total customer payments during the reporting period;
- Total amount to be forgiven for all participating customers at the end of the reporting period;
- Average amount to be forgiven for all participating customers at the end of the reporting period;
- Total amount to be paid under a payment plan for all participating customers at the end of the reporting period;
- Average arrears balance not yet forgiven of all participating customers at the end of the reporting period;
- Average arrears balance as a percentage of the total balance due for all participating customers at the end of the reporting period;
- Total amount of arrears outstanding for all participants at the end of the reporting period;
- Total amount of forgiveness credits (allowances) given during the reporting period;
- Number of forgiveness credits (allowances) given during the reporting period;
- Average amount of forgiveness credits (allowances) given during the reporting period;
- Number of participants receiving LIHEAP at the end of the reporting period;
- Percentage of participants receiving LIHEAP at the end of the reporting period; and
- Total LIHEAP payments received during the reporting period.

OTHER MISCELLANEOUS CHARGES**ARREARAGE MANAGEMENT ADJUSTMENT PROVISION**

The Company shall also provide a schedule with the number of customers enrolled in the AMP, by month, together with the number of defaults and program terminations.

XI. COST RECOVERY

The DAC applicable to all the firm rates of the Company shall contain an Arrearage Management Adjustment Factor (“AMAF”) designed to recover incremental costs incurred associated with the AMP. Incremental costs include the amount of arrearage forgiven. The recovery of the arrearage amounts forgiven by the Company through the AMP is dependent on the following criteria:

- i. If a customer does not satisfy the conditions of R.I.G.L. § 39-2-1(d)(2), the amount of arrearage forgiven by the Company to that point shall remain forgiven and be written off by the Company. However, the amount of arrearage forgiven by the Company is recoverable in full.
- ii. If a customer does satisfy the conditions of R.I.G.L. § 39-2-1(d)(2), all arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year, the Company will perform a test to determine if the amount of bad debt for the year exceeds the adjusted allowable bad debt from the Company’s most recent general rate case. This adjusted allowable bad debt will be calculated using the distribution uncollectible amount determined in the last general rate case, updated for the current calendar year Gas Cost Recovery, DAC, , and energy efficiency-related bad debt. Should the actual amount of bad debt incurred by the Company for the year exceed this adjusted allowable bad debt amount, the Company will be entitled to recover, in the following year, all amounts of arrearage forgiven under R.I. Gen. Laws § 39-2-1(d)(2)(xiv) in the prior year in excess of the allowable bad debt. If, however, the amount of the arrearage forgiven under § 39-2-1(d)(2)(xiv) in excess of the adjusted allowable bad debt for a given year is not significant enough to calculate an annual reconciling factor for that year, the Company may reflect such amount in its next Revenue Decoupling Mechanism reconciliation filing.

The AMAF shall be a uniform per therm factor based on the estimated therms to be delivered by the Company to its gas customers over a 12-month period. For billing purposes, the AMAF will be included with the DAC charge on customers’ bills. Should any balance remain outstanding subsequent to the recovery of costs associated with the AMP as described above, the Company shall reflect this balance as an adjustment in the subsequent period.

OTHER MISCELLANEOUS CHARGES

ARREARAGE MANAGEMENT ADJUSTMENT PROVISION

XII. ADJUSTMENT TO RATES

Adjustments to rates pursuant to the Arrears Management Program Provision are subject to review and approval by the PUC. Modifications to the factor contained in this Provision shall be made in accordance with a notice filed with the PUC pursuant to R.I.G.L. § 39-3-11(a) setting forth the amount(s) of the revised factor(s) and the amount(s) of the increase(s) or decrease(s). The notice shall further specify the effective date of such charges.